

REPORT ON TITLE

TO: Proplend Security Limited

FROM: Paris Smith LLP

FULL NAME OF BORROWER: Churchgate Property Services Limited

COMPANY NUMBER (if appropriate): 06363160

DESCRIPTION OF PROPERTY: 131 and 133 Aldridge Road Perry Barr Birmingham B42 2ET

IS BORROWER THE SAME AS OWNER? Yes

FULL NAME OF OWNER IF DIFFERENT (Where property is being transferred state intended owner): Not applicable

1. TITLE

a. We certify that the Property is:

Tenure:	Freehold
Title numbers (if registered) or if not confirm whether it is unregistered and/or subject to first registration:	WK192880 and WM684271
Class of title (if registered):	Absolute

- b. We certify that the Title to the Property is good and marketable and can be accepted by you as security.
- c. We annex hereto a copy of the Title Plans showing the Property edged red.
- d. The Property is registered in the name of the Borrower.
- e. We confirm that the only Restrictive Covenants which affect the Property are set out in the attached Schedule.
- f. Adverse interests affecting the Property are referred to in the Schedule.
- g. No person other than the Borrower has an equitable or overriding interest in the Property.
- h. The Borrower will be in sole possession of the Property at 131 and 133 Aldridge Road, but details of the Occupier Agreement are set out in the Schedule.
- i. Proplend Security Limited will obtain a First Legal Charge over the Property.

2. **SEARCHES:**

We confirm we hold:-

- a. Clear Land Registry Search giving Proplend Security Limited priority beyond the date of completion.
- b. You have agreed to accept no search indemnity insurance and therefore we have not received the results of any Local Authority search, drainage search, chancel search or environmental search.
- c. Bankruptcy Search giving Proplend Security Limited priority beyond the date of completion against the Guarantor.

No other search have been carried out as you are relying on no search indemnity insurance.

3. **VALUATION:**

We have read the Valuation Survey Report dated 19 July 2019 prepared by Bruton Knowles and confirm that:-

- i) there are no discrepancies between the report, the title documentation and the results of our searches.
- ii) we are satisfied that Proplend Security Limited will obtain a legal mortgage over the whole of the land shown edged red on the Title Plan

4. **BUILDINGS INSURANCE:**

The following Insurance Policy is in force:

Insurer: Commercial Express

Name of Insured: Churchgate Property Services Limited

Sum Insured: £1,500,000 for 131 Aldridge Road and £1,200,000 for 133 Aldridge Road.

Sum Insured recommended by Valuer: 131 Aldridge Road - £850,000 for 133 Aldridge Road - £450,000

Renewal Date: To be advised

Policy No: CEQ320732/2008

Current Premium:

5. **PURCHASE CONTRACT:**

- i. Purchase Price: £N/A
 - a. Property: £
 - b. Fixtures and Fittings:

6. SECURITY DOCUMENTATION:

The following security documentation has been properly executed and witnessed and is held by ourselves. (Please delete if not applicable).

- | | |
|-----------------|--|
| a. Legal Charge | The Legal Charge will be dated upon completion |
| b. Debenture | The Debenture will be dated upon completion |
| c. Guarantee | The Guarantee will be dated upon completion |

7. COMPLETION ARRANGEMENTS

We now request you to pay to us the Advance Amount and undertake that if you pay to us the said sum and we shall use the same only to effect the purchase of the Property by the Borrower:-

We confirm we hold an irrevocable undertaking from a firm of solicitors that following completion they will send a completed AP1 in respect of the acquisition of the Property and registration of Proplend's Legal Charge and Debenture, any necessary supporting documentation, and any title documents that are received from the Seller's solicitors.

Our banking details are:

Account Name: Paris Smith LLP Client Account
Account Number: 37559583
Bank: National Westminster Bank plc
Branch: 12 High Street Southampton
Sorting Code No: 56-00-68
Completion date: TBC

Please Quote Reference: NJV/taw/113022/55

SCHEDULE

RESTRICTIVE COVENANTS

(please confirm whether or not the restrictive Covenants are onerous)

There are no restrictive covenants in respect of either Property.

ADVERSE INTERESTS

(please confirm whether or not the Adverse Interests are onerous)

- 1 We refer to the attached Report on Title submitted on 6 December 2018 in connection with your last loan on the 2 properties. The comments in that Report remain valid save as varied below.
- 2 An application for an HMO Licence in respect of 133 Aldridge Road has been submitted. We have requested details of the up to date position and when the HMO Licence will be agreed and the Borrower's solicitors say that the application is with the local authority but they have not yet finalised their decision and therefore you may be drawing down the loan prior to the completion of the registration. The HMO for 131 Aldridge Road remains in force.
- 3 You have agreed to accept no search indemnity insurance and therefore we have not undertaken any further investigation of matters that would normally be raised by a local authority search, a drainage and water search, chancel search and environmental desktop search.
- 4 Neither property has any planning permission registered against it. We have therefore requested that there be a no planning permission indemnity policy on risk at the date of completion for the amount of the loan.
- 5 We have asked for confirmation that the Fire Risk Assessment and Asbestos Risk Register reports as previously provided remain current and that there are no alterations and the Borrower's solicitors say that there have been no changes.
- 6 As you will be aware, considerable works have been undertaken to the Property at 133 Aldridge Road which according to the valuer are reaching completion. We have received building regulation approval for the rewiring at the Property and also electrical installation certificates for fixed wiring and emergency lighting, fire detection and fire alarm systems, gas safety certificates in respect of the Property.

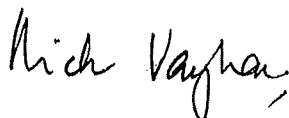
Currently the EPC for this Property only registers a rating of Class F and therefore this would not be acceptable to most lenders. The Borrower has applied for a revised EPC but this may not be available on completion and you have agreed to proceed on the basis of an undertaking that it is provided with a rating of Category E or above within one month of completion.

- 7 We refer to the separate Lease Report. There is a somewhat unusual arrangement in that both properties are subject to leases in favour of Weir Letting Limited. In the case of 131 Aldridge Road, they appear to have 12 rooms covered by this arrangement and in respect of 133 Aldridge Road, 9 rooms. 131 in fact has 27 rooms and we have requested details as to what happened to the remaining rooms which we understand are let on some sort of licence. The Borrower's solicitors say that the rooms are occupied on licences granted by the Borrower to the occupier.

- 8 The "leases" are fairly poor although they cover the main provisions. They have been executed incorrectly by the Landlord and stated to be Churchgate Services Limited rather than Churchgate Property Services Limited although that is the correct named landlord in both documents. The leases will be re-executed prior to completion. It should also be noted that no service charges are payable under the Lease for maintenance of the building and insurance which are undertaken by the Landlord and it is assumed that these are covered by the rental.
- 9 We have asked for confirmation that both properties comply with the Smoke and Carbon Monoxide 2015 Regulations and the Borrower's solicitors say that they do.

Signed by:

Signature:



Name: Nick Vaughan

Position: Senior LLP Partner

authorised to sign for and on behalf of Paris Smith LLP

Date: 1 August 2019

H. M. LAND REGISTRY

NATIONAL GRID PLAN

SP 0791

SECTION A

~~WARWICKSHIRE~~

Scale 1/1250

COUNTY OF WEST MIDLANDS
BIRMINGHAM DISTRICT

~~CITY OF BIRMINGHAM~~

SP0691NE
SP0791NW



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